



MATT BLUNT  
GOVERNOR

LARRY W. SCHEPKER  
COMMISSIONER

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**VIA HAND DELIVERY**

June 11, 2008

Attorney General Jeremiah W. Nixon  
Attorney General's Office  
Supreme Court Building  
P.O. Box 899  
Jefferson City, Missouri 65102

Dear Attorney General Nixon:

Your consistent piece-mealing of incomplete portions of the information I requested in very clear detail related to the receipt, deposit and distribution of the Caremark settlement funds is unacceptable. When it became obvious that you were not going to cooperate voluntarily in this investigation, I was forced to suspend your office's authority to self-certify distributions from the Attorney General Trust Fund.

I see no need to repeat the detailed list of information and actions I seek from your office as outlined in my letter to you dated, May 29. In the hope you will provide the items I am requesting, I want to make it clear that my investigation is focusing on the actions taken and instructions given by your senior staff in e-mails I discovered to deliberately misdirect the \$629,987 Caremark settlement check to the Attorney General Trust Fund, even though it was made payable to the Merchandising Practices Revolving Fund. I am unaware of any authority that allows you to direct this deposit of funds in the wrong state account. Again, for the fourth time, I ask you to explain your actions.

I also can find no authority for your office to create the grant program you were using to give away state funds. I do not question the merits of the grants, but I do not find your authorization to conduct a grant program as required under Chapter 34 RSMo.

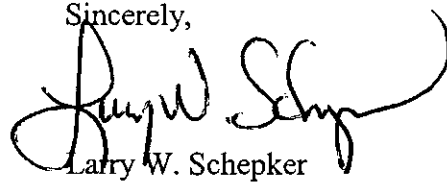
From the information I have discovered, it is apparent that you intentionally misdirected the Caremark settlement proceeds into the Attorney General Trust Fund because the statutory and appropriation limitations of the Merchandising Practices Revolving Fund clearly prohibited the distributions you sought to make. Therefore, because I am aware of additional and similar settlement proceeds coming to your office on behalf of the state of Missouri, I am alerting you that I will be monitoring the Revolving Fund to assure that you do not attempt to use it contrary to law.

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Finally, my request for the e-mails, records and correspondence pertaining to the receipt, deposit and distribution in this case was not made pursuant to the Missouri Sunshine Law. The information I demand deals with your official handling of state accounts. As Commissioner of Administration, I serve as custodian of all general accounting books and all papers relating to the accounts and contracts for the state of Missouri (33.060, RSMo). You have no discretion to withhold relevant e-mails, records or correspondence relating to the receipt, deposit and distribution of monies in this case. By your own admission, there are more e-mails, records and correspondence that are relevant to my investigation.

I am hereby requesting that you produce this information and have your Fiscal Officer contact my office no later than Tuesday, June 17, 2008, for an appointment to discuss the matters of this investigation.

Sincerely,



Larry W. Schepker  
Commissioner

cc: Representative Allen Icet  
Trish Vincent  
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